

CABLE SECRETARIAT DISSEMINATION CLASSIFIED MESSAGE TOTAL COPIES 18-1
PERSON/UNIT NOTIFIED Approved For Release 2004/10/28 : CIA-RDP80R01720R001100060008-2

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(1) SVN: Phoenix

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REF: DIRECTOR 165101

REF HIGH VALUE REWARDS PROGRAM HAS BEEN REVIEWED BY U.S. MISSION IN LIGHT OF A) PLANNED TRANSITION OF PHUNG HOANG PROGRAM WHICH CALLS FOR DISESTABLISHMENT OF PHUNG HOANG CENTERS AND WITHDRAWAL U.S. PHUNG HOANG ADVISORS DURING CY 72, B) ANTICIPATED ADVERSE PRESS COMMENT, C) CHANGING POLITICAL CLIMATE IN RVN. BASED ON THIS REVIEW WITH EMPHASIS ON OBVIOUS INABILITY [] OR AID/PUBLIC SAFETY TO BE ASSOCIATED WITH PROGRAM AS PHUNG HOANG PHASES OUT, AGREEMENT REACHED THAT CORDS/MACV WILL NOT FUND PROGRAM. GVN OFFICIALS HAVE BEEN INFORMED OF THIS DECISION, AND IT IS MOST UNLIKELY THAT GVN WILL FUND PROGRAM. CONSEQUENTLY PROGRAM ALMOST CERTAINLY WILL NOT BE IMPLEMENTED. GP-1.

SECRET